

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: ATMOS ENERGY CORPORATION f/k/a UNITED CITIES GAS COMPANY	DOCKET NO. TF-03-145 (ECR-96-4, EEP-95-2, EEP-03-3)
---	--

ORDER GRANTING WAIVER AND APPROVING TARIFF

(Issued May 30, 2003)

On May 1, 2003, Atmos Energy Corporation f/k/a United Cities Gas Company (Atmos) filed with the Utilities Board (Board) its annual reconciliation of energy efficiency cost recovery. Atmos proposed to change the projected costs for 2003 to reflect its proposed new energy efficiency plan filed on March 28, 2003. The new plan, identified as EEP-03-3, was docketed and a procedural schedule established by order issued April 22, 2003. A hearing is scheduled for September 16, 2003. No objections to the annual reconciliation were filed.

Atmos's reconciliation reduces the projected costs for energy efficiency from \$52,184.49 to \$41,000, consistent with the company's proposed new energy efficiency plan. Pursuant to 199 IAC 35.6(4), a plan modification is necessary for a change in the annual approved budget of more than 5 percent. While Atmos has not filed for a plan modification, the Board on its own motion will waive the rule. The Board recognizes that because Atmos has only 5,000 customers in Iowa, requiring a formal plan modification could result in legal and administrative costs that would far

exceed the plan's annual budget. Requiring such a filing at this time would pose an undue hardship to Atmos and its ratepayers because of the significant expense and the limited time the plan modification would be in effect. A ruling on Atmos's proposed new plan is expected this fall.

Because the Board has waived the requirement of a formal plan modification, the Board will approve the proposed tariff. However, the Board reminds Atmos that approval of this reconciliation tariff does not constitute approval of the new plan or of Atmos's implementation or results of its new energy efficiency plan. If the proposed plan is modified substantially, Atmos may either file a new reconciliation or carry the additional cost forward until the 2004 reconciliation.

IT IS THEREFORE ORDERED:

1. The Utilities Board, on its own motion, waives 199 IAC 35.6(4) with respect to Atmos Energy Corporation's annual energy efficiency reconciliation filing.
2. Tariff filing TF-03-145 is approved, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 30th day of May, 2003.